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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

BRUCE MACDONALD, Individually and on Behalf of All Others Similarly Situated,

Plaintiff.

V.

DYNAMIC LEDGER SOLUTIONS, INC., a
Delaware corporation, TEZOS
STIFTUNG, a Swiss Foundation,
KATHLEEN BREITMAN, an
Individual, ARTHUR BREITMAN,
an Individual, TIMOTHY COOK DRAPER, an
individual, DRAPER ASSOCIATES, JOHANN
GEVERS, DIEGO PONZ, GUIDO SCHMITZ-
KRUMMACHER, BITCOIN SUISSE AG,
NIKLAS NIKOLAJSEN and DOES 1-100,
INCLUSIVE,

Defendants.

Case No. 17-cv-07095-RS

**SUPPLEMENTAL DECLARATION OF
JOEL FLEMING IN SUPPORT OF
PLAINTIFF'S *EX PARTE*
APPLICATION FOR TEMPORARY
RESTRANING ORDER**

1 I, Joel Fleming, depose and state:

2 1. I am an attorney licensed to practice in the State of California and before this
3 Court. I am an attorney of record for Plaintiff Bruce MacDonald in the above-captioned matter.
4 This declaration is based on my personal knowledge of the matters set forth herein. If called as a
5 witness, I could and would testify competently as follows.

6 2. The website <http://www.reddit.com> hosts a message board (or “subreddit”)
7 devoted to the Tezos project: <https://www.reddit.com/r/tezos>. In the last 24 hours, a user named
8 “GuidoSchmitz”—who claims to be Defendant Guido Schmitz-Krummacher—has made a series
9 of posts and comments on the Tezos subreddit disclosing additional information about the Tezos
10 Foundation and the dispute amongst Defendants. Certain of those posts/comments are relevant to
11 the issues presented by Plaintiff’s *Ex Parte* Application for a Temporary Restraining Order,
12 scheduled to be heard by the Court tomorrow at 10:00 a.m.

13 3. At approximately 2:00 a.m. Pacific Time today, the GuidoSchmitz user account
14 made the following post titled “Banks and Developers”:

15 I can understand, that it seems to be very strange, that the foundation has so much money
16 and is not paying the developers. Very strange! The truth behind it is: Budget was for
17 sure released to pay the developers for may months and increase the number as well. But
18 then the media about Tezos came in and made banks and authorities nervous. Really
19 nearly over night the policy changed and stopped nearly everything. **Most of the banks**
20 **in Switzerlandand are not paying out any more Fiat, which origin was an ICO or**
21 **Crypto - or only after a very deep check and only to really external / third partners.**
22 So - according to Tezos Media - a couple of foundations searching for new banks and this
23 is extremly difficult in Switzerland or else to get one. And Tezos is a black sheep now
24 anyway. So the remaining board needs your full support, that this topic is solved. And
25 positive news about Tezos! So all the people coming up with legal claims are just doing
the opposite. As mentioned before - the money and assets have still been there, when I
left. But the board has to work to get the flexibility back, to support all needed projects
including developers (and increase of the number of developers as well).

26 (emphasis added)

27 4. A true and accurate copy of the Reddit website showing this post is attached
28 hereto as Exhibit A.

29 5. In a comment to another user’s post, made at approximately 6:00 a.m. Pacific

1 time today, the GuidoSchmitz user account stated:

2 **banks don't want to do any transactions on money raised up for crypto**
3 **without KYC [Know Your Customer].** But they are not treating this all aligned.
4 But Tezos has a case on that and the board is hard working to solve it. All
knowing, that Tezos needs motivated developers to finish the protocol.

5 (emphasis added)

6. A true and accurate copy of the Reddit website showing this comment is attached
7 hereto as Exhibit B.

8 I declare under penalty of perjury that the foregoing is true and correct.
9

10 Executed on December 18, 2017.

11 /s/ Joel Fleming
12 Joel Fleming

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CERTIFICATE OF SERVICE

Pursuant to L.R. 5-5, I certify that on December 18, 2017, I caused to be served copies of the foregoing **SUPPLEMENTAL DECLARATION OF JOEL FLEMING IN SUPPORT OF PLAINTIFF'S EX PARTE APPLICATION FOR TEMPORARY RESTRAINING ORDER** on the persons listed below at the addresses listed below.

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15 guido@addcon.nl;
16 guidoschmitzkrummacher@addcon.nl;
17 gschmitzkrummacher@addcon.nl;
18 guidos@addcon.nl;
19 guido.schmitzkrummacher@addcon.nl.

20 Dated: December 18, 2017

21 /s/ Joel A. Fleming

22 Joel A. Fleming

Exhibit A

Arthur and others : tezos in several boards : tezos communication : tezos Audit : tezos Swiss - Foundation : tezos Money back - Investment fun... Bank and Developers : tezos

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TEZOS COMMENTS OTHER DISCUSSIONS (1)

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Bank and Developers (self.tezos)
submitted 5 hours ago by GuidoSchmitz

I can understand, that it seems to be very strange, that the foundation has so much money and is not paying the developers. Very strange! The truth behind it is: Budget was for sure released to pay the developers for many months and increase the number as well. But then the media about Tezos came in and made banks and authorities nervous. Really nearly over night the policy changed and stopped nearly everything. Most of the banks in Switzerland are not paying out any more Fiat, which origin was an ICO or Crypto - or only after a very deep check and only to really external / third partners. So - according to Tezos Media - a couple of foundations searching for new banks and this is extremely difficult in Switzerland or else to get one. And Tezos is a black sheep now anyway. So the remaining board needs your full support, that this topic is solved. And positive news about Tezos! So all the people coming up with legal claims are just doing the opposite. As mentioned before - the money and assets have still been there, when I left. But the board has to work to get the flexibility back, to support all needed projects including developers (and increase of the number of developers as well).

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[–] [tokyo_on_rails](#) 7 points 4 hours ago
You have over a billion dollars in crypto and you can't figure out how to pay for something without Swiss fiat?
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[–] [cryptoaccount2](#) 1 point 4 hours ago
Some of you asked, why the foundation can not just give the money back?
Please read my post about Swiss Foundation. Conclusion is, if money is given to a foundation, you can not reimburse it, because you have certain laws and regulations hindering it. Please listen here not only to rumors or attorneys, who will tell you a lot of rumors and stories. Make yourself familiar with the foundation construction. Normally - if money was

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Exhibit B

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COMMENTS OTHER DISCUSSIONS (1)

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20 Swiss - Foundation (self.tezos) submitted 5 hours ago by GuidoSchmitz 36 comments share save hide report

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[-] GuidoSchmitz 2 points 2 hours ago

banks don't want to do any transactions on money raised up for crypto without KYC. But they are not treating this all aligned. But Tezos has a case on that and the board is hard working to solve it. All knowing, that Tezos needs motivated developers to finish the protocol.

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[-] blindripper85 1 point 2 hours ago

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